# **News from Ed Markey**

## **United States Congress**

### **Massachusetts Seventh District**

FOR IMMEDIATE RELEASE February 6, 2002

CONTACT: Michal Freedhoff (202) 225-2836 or Mark Gallagher (781)396-2900

#### MARKEY QUESTIONS HOUSING BUDGET MATH FOR MALDEN

## Lawmaker cites possible clerical error in funding cut for Malden

**WASHINGTON, D.C. --**

Today Representative Edward J. Markey (D-MA) released a letter to Housing and Urban Development (HUD) Secretary Mel Martinez questioning the method used to calculate the per capita income of Malden, MA.

"I believe there may be an egregious error in the 2003 budget submission that, if not corrected, would result in a 50% reduction of Community Development Block Grant funding for Malden, Massachusetts," said Rep. Markey.

The Community Development Block Grant (CDBG) program works to ensure affordable housing, to create jobs, and to expand business opportunities in communities. In FY 2002, Malden, MA received \$1,780,000 in CDBG funds. According to the FY 2003 HUD budget submission released on Monday, these funds would be cut by 50% in FY 2003 because HUD has somehow concluded that the per capita income of Malden is 2.2 times that of the national average, and moreover, that it is higher than that of Santa Monica, CA. However, the 1990 U.S. census found that the per capita income of Malden, MA was \$15,280, while the average national per capita income was \$14,240, and that of Santa Monica, CA (a tony, seaside section of Los Angeles, where single-family beach-front homes cost millions of dollars) was \$29,134.

"The HUD calculation has got to be wrong," said Rep. Markey. "This is Malden, not Malibu."

Rep. Markey's letter asked for clarification on whether the Community Development Block Grant funding formula for Malden should be altered in FY 2003 as soon as possible, and an assurance that if the funding formula proposed for Malden was in error, that Malden would continue to receive these funds according to the old formula.

###